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COCOA BEANS  
FCB 1-72  
March 1972

## WORLD COCOA PRODUCTION

### AT ALLTIME HIGH

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### Summary

World cocoa bean production for 1971-72 is now expected to total a record 1.59 million metric tons, an increase of nearly 7 percent over the 1970-71 harvest of 1.49 million tons. The record crop this year is largely reflecting favorable growing conditions in Africa, where production is forecast to reach 1.17 million tons, compared with 1.09 million tons in the 1970-71 season. South American production is also expected to be higher because of prospects of a record Brazilian harvest.

Although world cocoa bean grindings in 1972 are expected to be at record levels, they probably will fall well below production, resulting in world stocks increasing for the third consecutive year. World grindings in 1971 are estimated to have totaled about 1.43 million tons, and grindings for 1972 are expected to increase by about 5 percent to about 1.5 million tons.

New York spot "Accra" cocoa bean prices averaged 27 cents per pound in 1971, down from 34 cents in 1970 and 46 cents in 1969. Responding to the news of better than expected fourth-quarter grindings in the major consuming countries, prices in early 1972 have firmed somewhat from yearend 1971 levels. Prices in January 1972 have averaged 26 cents, up from the December 1971 average of 24 cents per pound, and prices during February have averaged slightly under 27 cents per pound.

Cocoa beans: Production in specified countries, average 1962-63/1966-67, annual 1967-68/1971-72 1/

Region and country	Average 1962-63/ 1966-67	1967-68	1968-69	1969-70	1970-71	Forecast 1971-72
	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
North America:						
Costa Rica .....	9.8	7.5	9.0	4.8	5.0	6.0
Cuba .....	2.0	2.0	2.0	2.0	2.0	2.0
Dominican Republic .....	32.8	30.0	21.0	43.0	26.0	29.0
Grenada .....	2.5	2.8	3.1	2.9	2.8	3.0
Guadeloupe .....	.1	.1	.1	.1	.1	.1
Guatemala .....	.6	.7	.8	.8	.8	.8
Haiti .....	2.3	2.0	2.0	2.5	2.0	2.0
Jamaica .....	2.0	2.4	1.5	1.8	2.0	2.0
Leeward-Windward Islands <u>2/</u> ...	.4	.2	.2	.2	.2	.2
Martinique .....	.1	.1	.1	.1	.1	.1
Mexico .....	21.5	22.0	23.0	24.0	25.0	25.0
Nicaragua .....	.4	.5	.5	.5	.5	.5
Panama .....	.8	.7	.6	.5	.5	.5
Trinidad & Tobago .....	5.4	6.3	4.7	5.6	5.0	4.5
Total .....	80.7	77.3	68.6	88.8	72.0	75.7
South America:						
Bolivia .....	1.8	1.5	1.5	1.5	1.5	1.5
Brazil .....	139.3	144.7	166.2	201.6	182.4	205.0
Colombia .....	15.6	18.0	18.5	15.3	16.6	18.5
Ecuador .....	42.8	70.0	53.0	55.0	65.0	60.0
Peru .....	2.1	1.7	1.7	1.7	1.7	1.7
Surinam .....	.2	.1	.1	.1	.1	.1
Venezuela .....	20.4	24.7	19.3	18.3	18.9	19.0
Total .....	222.2	260.7	260.3	293.5	286.2	305.8
Africa:						
Angola .....	.4	.5	.5	.5	.5	.5
Cameroon .....	83.1	91.5	103.8	108.0	112.0	120.0
Congo, Brazzaville .....	.9	1.5	1.5	1.5	1.5	1.5
Equatorial Guinea <u>3/</u> .....	34.6	34.0	37.0	25.0	30.0	32.0
Gabon .....	3.9	4.1	4.5	4.5	5.0	5.0
Ghana .....	446.8	421.6	338.9	414.3	392.0	465.0
Ivory Coast <u>4/</u> .....	122.3	146.8	142.7	180.7	179.6	225.0
Liberia .....	1.1	1.9	1.7	1.9	1.8	1.9
Malagasy Republic .....	.6	.7	.7	.8	.8	.8
Nigeria <u>5/</u> .....	229.7	238.6	195.0	225.0	323.0	265.0
Sao Tome-Principe .....	9.4	11.0	9.8	9.7	10.0	10.0
Sierra Leone .....	4.0	4.8	4.2	4.1	5.1	5.0
Tanzania .....	.1	.2	.4	.4	.4	.4
Togo <u>4/</u> .....	14.3	16.6	21.1	23.0	28.0	32.0
Zaire (Congo, K.) .....	4.9	5.0	5.0	5.0	5.0	5.0
Total .....	956.1	978.8	866.8	1,004.4	1,094.7	1,169.1
Asia:						
Ceylon .....	2.1	2.0	2.0	2.0	2.0	2.0
Indonesia .....	1.0	1.0	1.0	1.0	1.0	1.0
Malaysia .....	.8	1.6	2.0	2.0	2.2	2.3
Philippines .....	3.7	3.4	4.0	4.0	3.5	4.0
Total .....	7.6	8.0	9.0	9.0	8.7	9.3
Oceania:						
New Guinea .....	18.4	24.0	27.2	22.3	29.0	30.0
New Hebrides .....	.6	1.0	.6	.8	.8	.8
West Samoa .....	3.4	1.8	2.8	3.4	2.5	3.0
Total .....	22.4	26.8	30.6	26.5	32.3	33.8
World Total .....	1,289.0	1,351.6	1,235.3	1,422.2	1,493.9	1,593.7

1/ Estimates refer to an October-September crop year. 2/ Includes Dominica and St. Lucia.3/ Includes Fernando Po and Rio Muni. 4/ Includes some cocoa marketed from Ghana. 5/ Includes cocoa marketed through Dahomey. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.



## Major Producers

Africa: Production in Ghana is now forecast at 465,000 tons, compared with the 1970-71 outturn of 392,000 tons. Beginning with the 1972 mid-crop season, farmers will receive a 25 percent increase in the producer price, which could result in growers holding back some main crop cocoa in order to receive the higher price.

Effective December 27, 1971, the Ghanaian New Cedi (N¢) was devalued by 44 percent to 55 U.S. cents from the old rate of 98 U.S. cents. However, following the takeover of the government in January by the National Redemption Council, the New Cedi was revalued upward to the equivalent of 78 U.S. cents. In terms of U.S. currency, the new producer price of 10 N¢ per 60 pound headload for the 1972 mid-crop will be equal to 13 U.S. cents per pound, compared with 8 N¢ previously paid to farmers (equal to 13.07 U.S. cents per pound prior to the December currency revaluation of the New Cedi).

Nigerian production (including cocoa marketed through Dahomey) is placed at 265,000 tons, off 58,000 from the record 1970-71 harvest.

The 1971-72 Ivory Coast main crop is expected to be over 200,000 tons, and total production for the season is forecast at a record 225,000 tons. Cameroon production has been revised upward and likely will approximate 120,000 tons.

Latin America: Brazil's 1971-72 Bahia main crop now is expected to be at least 1.5 million bags, (90,000 tons) compared with the 1970-71 main crop of only 945,000 bags (56,700 tons). The outlook for the upcoming 1972 Bahia Temporao crop continues favorable. Total 1971-72 Brazilian production is estimated at 3.4 million bags (205,000 tons), up 12 percent over the 1970-71 crop of 182,400 tons.

Production in the Dominican Republic is estimated at 29,000 tons, up about 3,000 tons over the 1970-71 harvest. In 1966, the Government of the Dominican Republic began a cocoa rehabilitation program, but the results have been somewhat disappointing. Beginning this year, the government will institute a larger plan which will run until 1976 and utilize an investment of \$6.3 million. The new plan will provide \$3.5 million for loans to farmers and for planting higher yielding trees. The balance of \$2.8 million will be used mostly for research and extension services.

## Major Consumers

Reflecting large world supplies and lower prices, world cocoa bean grindings in 1971 were in excess of 1.4 million metric tons, and were at an alltime high.

U.S. cocoa bean grind in 1971 amounted to 278,826 tons (614.7 million pounds),

up 5 percent over the 1970 grind of 265,536 tons (585.4 million pounds). West Germany's grind in 1971 totaled 132,919 tons, up 5.6 percent over the year before. The Netherlands' grind rose to 120,550 tons from 114,840 tons in 1970, and grindings in the United Kingdom increased by 2.5 percent to 84,430 tons.

U.S. cocoa bean imports in 1971 totaled 320,926 tons valued at \$181.3 million, compared with 283,694 tons valued at \$201 million in 1970. Reflecting a sharp increase in shipments from Nigeria, imports from Africa rose by 33 percent to 200,908 tons from 150,639 tons in 1970. Imports from Latin American suppliers fell by over 14 percent to 107,841 tons, primarily because of smaller shipments by the Dominican Republic and Brazil.

U.S. Quotas on Confectionery Imports: As required by the 1971 amendments to the Sugar Act, the U.S. Department of Agriculture effective January 1, 1972, implemented import quotas on sweetened chocolate (except for bars and blocks 10 lb. or more each), candy, and confectionery. The quotas apply to items 156.30 and 157.10 of the Tariff Schedules of the United States.

The quota for 1972 has been set at 196,641,400 pounds, to be filled on a first-come, first-served basis. Of this amount, 21,680,000 pounds are reserved exclusively for imports of chocolate crumb, which is controlled by licenses issued by the Foreign Agricultural Service. Of the remainder of 174,961,400 pounds, approximately 70 percent (122,500,000 pounds) may be imported during the first three-quarters of 1972, and 30 percent during the final quarter of the year.

The 1972 quota was determined by taking the larger amount of either the average of 1968-70 imports of these items (152,103,191 lb.) or 5 percent of 1970 confectionery manufacturers' sales in the U.S. (196,641,400 lb.).

Except for chocolate crumb, import licenses or prior clearances are not required and individual shipments valued at \$25 or less are exempted from the quota.

### International Developments

UNCTAD Cocoa Consultations: Following the December 1971 meeting of the major cocoa consuming countries in Geneva, another meeting of the Cocoa Consultative Committee was held in Geneva January 10-21, 1972, to resume discussions on an international cocoa arrangement and to consider the revised draft agreement. The meeting again failed to make much headway in resolving the major differences on such items as the price range, quotas, and buffer stock operations.

However, it was decided to convene a United Nations Cocoa Conference March 6-28, in Geneva, to try to resolve differences and to set up a Negotiating Committee. It will be the Committee's task to develop a draft text of an international cocoa agreement for consideration at a full scale Negotiating Conference to be called sometime this summer.

FAO Study Group on Cocoa: At the Sixteenth Session of the Conference of FAO held in November 1971, it was decided that commodity study groups established by the Committee on Commodity Problems (CCP) should henceforth be renamed "intergovernmental commodity groups." The Conference further decided that bodies established by these groups should be called "sub-groups" and that bodies established by sub-groups should be called "working parties."

In conformity with this decision, the Study Group on Cocoa will henceforth be called "Intergovernmental Group on Cocoa", and the Group's subsidiary bodies will be renamed as follows:

<u>Former title</u>	<u>New title</u>
Executive Committee	Executive Sub-Group
Committee on Statistics	Sub-Group on Statistics
Working Party on Cocoa Grading	Sub-Group on Cocoa Grading



## Cocoa beans: U. S. imports by country of origin, 1970 and 1971

Country of origin	1970		1971	
	Metric tons	1,000 dollars <u>1/</u>	Metric tons	1,000 dollars <u>1/</u>
Africa:				
Cameroon .....	1,299	1,203	---	---
Equatorial Guinea .....	985	804	1,967	948
Ghana .....	105,618	81,544	120,706	72,570
Ivory Coast .....	24,423	19,856	24,516	14,250
Nigeria .....	17,744	13,514	50,959	30,992
Others .....	570	424	2,760	1,537
Total .....	150,639	117,345	200,908	120,297
Latin America:				
Brazil .....	59,249	38,108	56,127	28,492
Costa Rica .....	1,894	1,291	2,478	1,271
Dominican Republic .....	34,459	19,925	23,238	11,344
Ecuador .....	14,603	9,453	15,256	7,452
Guatemala .....	109	73	252	132
Haiti .....	711	387	1,032	475
Mexico .....	5,606	3,385	3,953	1,949
Panama <u>2/</u> .....	537	347	279	143
Peru .....	213	128	---	---
Trinidad & Tobago .....	3,530	2,746	2,278	1,376
Venezuela .....	4,526	2,977	2,931	1,508
Others .....	732	425	17	8
Total .....	126,169	79,245	107,841	54,150
Asia and Oceania:				
Australia .....	---	---	103	68
New Guinea .....	6,120	3,906	11,602	6,494
New Zealand .....	478	314	329	232
Others .....	1	( <u>3/</u> )	123	88
Total .....	6,599	4,220	12,157	6,882
Not specified .....	287	210	20	9
Grand total .....	283,694	201,020	320,926	181,338

1/ Value f.o.b. country of origin. 2/ Includes some Costa Rican cocoa marketed through Panama. 3/ \$600.

Compiled from reports of the U.S. Department of Commerce.



## Specified cocoa products: U. S. imports by country of origin, 1970 and 1971

Country of origin	1970		1971	
	Metric tons	1,000 dollars 1/	Metric tons	1,000 dollars 1/
Chocolate, unsweetened:				
Brazil .....	---	---	50	36
Dominican Republic .....	125	92	260	123
Ecuador .....	185	163	245	146
Germany, West .....	---	---	105	79
Ghana .....	544	425	141	106
Haiti .....	756	548	639	384
Ivory Coast .....	40	38	166	120
Mexico .....	735	569	399	244
Netherlands .....	801	913	840	865
Others .....	61	47	62	49
Total .....	3,247	2,795	2,907	2,152
Chocolate, sweetened, bars: (Not under 10 lbs. each)				
Austria .....	4	5	---	---
Belgium .....	492	431	626	516
Dominican Republic .....	115	43	242	82
Germany, West .....	2	2	1	1
Israel .....	28	23	---	---
Malta .....	5	4	13	10
Netherlands .....	1	2	1	2
Switzerland .....	399	490	749	773
United Kingdom .....	39	15	1	1
Total .....	1,085	1,015	1,633	1,385
Chocolate, sweetened: (Except bars and blocks)				
Austria .....	30	60	67	87
Belgium .....	1,662	1,416	1,531	1,247
Brazil .....	25	35	---	---
Canada .....	2,701	2,401	3,377	2,787
Czechoslovakia .....	138	137	53	61
Denmark .....	5	9	2	3
Dominican Republic .....	451	158	536	168
France .....	20	25	5	8
Germany, West .....	751	947	1,030	1,242
Ireland 2/ .....	8,974	3,510	5,062	2,071
Israel .....	132	170	194	237
Italy .....	578	952	491	816
Mexico .....	29	42	110	65
Netherlands .....	1,245	1,680	950	1,285
Norway .....	11	13	15	16
Switzerland .....	495	801	288	517
United Kingdom 2/ .....	6,419	3,173	3,313	1,831
Others .....	62	69	53	65
Total .....	23,728	15,598	17,077	12,506

(Continued)

Specified cocoa products: U. S. imports by country of origin,  
1970 and 1971--Continued

Country of origin	1970		1971	
	Metric tons	1,000 dollars 1/	Metric tons	1,000 dollars 1/
Confectioners coatings:				
Belgium .....	1	1	2	2
Netherlands .....	2	1	2	1
Sweden .....	37	31	37	28
Switzerland .....	38	48	36	27
Total .....	78	81	77	58
Candy and other confectionery containing cocoa and chocolate:				
Argentina .....	29	14	23	9
Australia .....	2	3	29	40
Austria .....	145	176	94	141
Belgium .....	44	53	50	44
Canada .....	3,500	4,716	4,092	5,571
Colombia .....	87	36	44	19
Denmark .....	108	117	237	205
Finland .....	504	335	734	620
France .....	13	20	40	56
Germany, West .....	1,838	1,765	1,130	1,171
Ireland .....	389	327	142	101
Israel .....	169	140	207	181
Italy .....	354	815	316	851
Japan .....	24	29	18	29
Mexico .....	141	95	192	151
Netherlands .....	326	441	376	455
Poland .....	93	39	61	32
Sweden .....	187	139	220	168
Switzerland .....	230	381	660	910
United Kingdom .....	4,652	4,258	4,347	4,291
Others .....	141	204	95	123
Total .....	12,976	14,103	13,107	15,168

(Continued)

Specified cocoa products: U.S. imports by country of origin,  
1970 and 1971--Continued

Country of origin	1970		1971	
	Metric tons	1,000 dollars 1/	Metric tons	1,000 dollars 1/
Cocoa, unsweetened and cocoa cake:				
Brazil .....	13,119	2,925	14,716	2,935
Cameroon .....	1,485	329	1,315	341
Dominican Republic .....	41	13	9	2
France .....	977	366	710	248
Germany, West .....	6,013	2,228	4,147	1,663
Ghana .....	1,793	510	3,324	931
Haiti .....	18	1	---	---
Italy .....	794	338	365	193
Ivory Coast .....	5,114	1,251	4,004	1,054
Mexico .....	1,042	294	---	---
Netherlands .....	17,547	10,781	15,382	9,609
Nigeria .....	5,825	1,682	3,127	953
United Kingdom .....	1,084	418	1,507	538
Others .....	434	119	995	243
Total .....	55,286	21,255	49,601	18,710
Cocoa, sweetened:				
Belgium .....	1,843	454	1,662	229
Dominican Republic .....	102	32	135	13
France .....	---	---	40	6
Netherlands .....	---	---	211	39
Others .....	2	2	1	(3/)
Total .....	1,947	488	2,049	287
Cocoa butter:				
Brazil .....	4,188	5,816	2,609	2,971
Costa Rica .....	105	156	135	151
Dominican Republic .....	24	28	16	18
Ecuador .....	411	499	10	12
Germany, West .....	223	277	1,361	1,579
Ghana .....	1,770	2,721	4,426	5,367
Ivory Coast .....	2,617	3,852	3,875	4,324
Jamaica .....	25	37	30	33
Mexico .....	1,198	1,872	488	483
Netherlands .....	2,539	4,497	1,090	1,309
Nigeria .....	1,660	2,465	1,123	1,295
Philippines .....	314	435	234	228
Venezuela .....	115	173	236	261
Others .....	154	236	4	8
Total .....	15,343	23,064	15,637	18,039

1/ Value f.o.b. country of origin. 2/ Mostly chocolate milk crumb.

3/ Less than \$500.

Compiled from reports of the U.S. Department of Commerce.



Cocoa beans: Average monthly New York spot prices for "Accra" and "Bahia"-----cents per pound

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Avg.
<b>Accra:</b>													
1960 ..	30.3	29.0	27.1	28.5	28.8	28.4	29.8	28.0	29.0	29.6	28.1	25.6	28.5
1961 ..	22.8	22.6	20.5	22.9	23.0	21.5	22.3	21.3	21.5	22.6	25.1	26.5	22.7
1962 ..	22.5	19.5	21.3	20.8	22.4	20.8	20.5	20.3	20.0	20.1	20.9	21.0	20.8
1963 ..	23.0	24.6	23.9	25.5	27.6	25.6	24.5	24.5	25.6	27.6	25.5	26.1	25.3
1964 ..	26.3	23.3	23.6	22.0	22.8	22.4	23.5	22.8	23.4	23.5	22.6	24.0	23.4
1965 ..	22.6	20.1	16.8	16.4	15.9	13.4	11.8	16.1	17.1	17.1	18.4	21.3	17.3
1966 ..	22.6	22.4	23.2	25.2	24.4	24.9	27.2	26.6	23.4	23.9	23.3	26.1	24.4
1967 ..	27.5	29.7	29.1	27.9	28.0	28.3	27.5	28.3	30.3	29.5	31.0	31.3	29.0
1968 ..	31.6	29.8	30.2	30.6	29.9	29.1	29.6	30.9	36.9	39.4	45.9	48.7	34.4
1969 ..	44.7	44.0	44.3	44.6	44.7	46.1	47.8	45.8	45.3	47.0	48.6	44.9	45.7
1970 ..	39.2	34.7	33.6	32.3	29.4	29.7	32.4	38.0	37.9	36.3	34.0	32.5	34.2
1971 ..	29.8	27.8	27.2	27.3	25.1	26.4	28.3	29.0	27.0	25.1	24.5	23.9	26.8
1972 ..	25.8	26.7											
<b>Bahia:</b>													
1960 ..	29.8	28.2	25.9	26.1	26.0	26.3	26.9	27.5	26.1	26.6	26.3	25.5	26.8
1961 ..	23.6	22.2	20.7	22.9	23.0	21.9	22.0	20.6	20.3	21.7	24.1	25.5	22.4
1962 ..	22.6	19.9	21.1	20.7	21.4	20.5	21.3	21.2	21.0	21.4	21.8	23.1	21.3
1963 ..	25.4	27.0	26.3	27.4	28.4	25.9	25.7	25.6	26.1	27.4	26.2	26.8	26.5
1964 ..	25.5	23.2	23.3	21.9	21.9	22.4	23.3	22.9	23.5	23.2	22.8	23.6	23.1
1965 ..	22.6	20.1	16.5	16.0	15.3	13.4	12.2	15.4	16.6	16.6	17.7	20.5	16.9
1966 ..	21.5	21.3	21.9	23.7	22.8	23.4	25.8	25.3	22.2	22.6	21.8	24.2	23.0
1967 ..	25.4	26.7	26.1	25.3	25.5	25.8	25.0	25.6	27.3	26.4	28.0	28.6	26.3
1968 ..	29.3	27.9	28.3	28.5	28.1	27.7	28.5	30.1	36.3	38.5	45.1	47.6	33.0
1969 ..	43.7	43.3	43.3	43.4	43.0	44.5	45.6	43.2	43.1	43.7	45.0	40.5	43.5
1970 ..	35.4	32.0	31.7	27.9	27.9	28.2	30.5	37.0	36.5	34.0	31.8	31.5	32.0
1971 ..	29.3	27.7	27.2	27.1	24.7	26.1	27.4	27.1	26.2	22.9	22.5	22.2	25.9
1972 ..	24.9	25.7											



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